

# **Washington Citizens' Commission On Salaries for Elected Officials**

## **Official Position Description for Office of the Washington State Auditor**

### **1. Position Objective**

The Office of State Auditor was created in the Constitution as the “auditor of all public accounts.” As a statewide elected office, we independently report directly to the citizens of Washington. We do not work for the Governor or Legislature. Our fundamental responsibility is accountability, ensuring that government entities are good stewards of taxpayers dollars.

### **2. Financial Dimensions**

**a. Number of employees (FTEs):** 355

**b. Annual Budget:** \$40,872,000

### **3. Principle Responsibilities**

- We serve a fundamental watchdog responsibility and provide independent assurance to citizens that all the roughly 2,600 state and local governments in Washington use public resources properly and effectively.
- We ensure that financial statements of all those governments are accurate and complete, protecting citizens from any “municipal Enrons.”
- We audit for legal compliance to make sure governments follow applicable laws and policies.
- We conduct performance audits of state and local government operations to determine whether their programs and services achieve intended outcomes and to determine whether those functions are carried out as efficiently as possible.
- We visibly and aggressively report our work so citizens have independent information they need to assess government performance and stewardship.

- We report timely and relevant information to the Legislature, federal government, bond raters and others, resulting in public policy decisions that make government work better.
- We report to the governments we audit so they can correct any deficiencies, better protect public assets and improve government operations.
- We administer the state Employee Whistleblower Program to guard against improper government actions and give public employees an avenue to report suspected improper activities or misuse of public assets.
- Our nationally recognized fraud detection and prevention program investigates instances of misappropriations and provides hundreds of hours of training to help government managers identify fraud and put controls in place to prevent it.
- We provide other financially-related training and technical assistance to government officials help them head off potential problems up front before issues surface. In this way, the public is better served.
- We prescribe local governments' uniform budgeting, accounting and reporting financial systems to ensure government financial managers follows proper accounting standards.
- We compile and publish local government comparative statistics to help policymakers make effective decisions.

#### **4. Knowledge and Skills**

Except for officers of the courts, the Constitution does not establish any criteria for citizens to hold public offices in Washington State. Public officials must only be legal citizens of Washington State. Practically speaking, the Office of State Auditor does demand knowledge and skills in leadership and management, and an understanding of government, politics and public policy. State Auditor Brian Sonntag does hold a Certified Government Financial Manager certification from the Association of Government Accountants.

#### **5. Nature and Scope**

##### **a. Organization**

We serve as the public's window into government operations so citizens can readily access – from an independent source – information that will help them assess government accountability and performance. The founders of the state did not establish the position to be another government finance shop. They created the public's auditor as an independent check and balance on how government uses taxpayer dollars. An estimated \$96 billion in public funds – local tax collections, state appropriations and federal funds that flow

into the state – annually falls under our purview. With new performance audit authority granted by citizen-supported Initiative 900, we are now able to evaluate the effectiveness of state and local government services and functions. Our audits reach every state agency, board, commission and institution of higher education. Audits also encompass all units of local government of every size and type, ranging from the City of Seattle and King County to tiny special purpose districts. There are 34 different types of local governments. All told, we issue about 1,000 audit reports each year. We have a significant effect on government operations.

#### **b. Managerial Environment (Risks & Sensitivities)**

- The State Auditor is a statewide elected office, but the work is administrative in nature and must be nonpartisan. Credibility is critical, and audits must be absolutely fair, objective and free of any appearance of partiality.
- Since we must charge state and local governments for our audit services, we are particularly sensitive to audit costs. Many governments face dwindling resources. We must carefully establish priorities and balance the time and resources we spend on our audits with the need for accountability.
- The number of entities, the amount of dollars audited and the scope of our audits grows every year. But the amount of resources we have to audit has been steadily reduced over the past several years, though it has stabilized in the current fiscal biennium. We are continuously pursuing ways to audit more efficiently while maintaining high audit quality and sufficient coverage.
- We take a risk-based approach to audit, focusing on the areas where public funds are most vulnerable to misuse or abuse. We have neither the time nor resources to audit every public dollar every year. Missing a fraud or a significant error on a financial statement harms the credibility of our work and exposes us to potential litigation.
- State law requires us to protect the confidentiality of state employee whistleblowers. Any violation of this trust subjects the state to potential lawsuits.
- Managing a diverse workforce placed in 20 different locations throughout the state is challenging. In addition, staff is comprised of specialists for different types of audits and different types of entities.

#### **c. Problem Solving**

Job of State Auditor requires considerable strategic thinking and analysis to anticipate and address emerging issues, develop and push public policy initiatives and advocate for greater accountability and better government.

It requires developing innovative approaches to ensuring accountability. It requires public policy ideas and creatively working with legislators, the governor, other government officials and diverse interested parties to turn those ideas into action.

The Audit environment is ever evolving. New issues emerge. Audit standards regularly change, whether prompted by innovative methods or corporate/government scandals. Demands and new responsibilities also are placed on the Office by the Legislature and citizen-supported initiatives. For example, Initiative 900 handed us significant expanded performance audit authority. Financially speaking, our operation will grow by more than one-third of our current size. It is a function that did not exist before. That requires careful deliberations over how we hire, who we hire, who we audit first and how we involved citizens. All this requires careful and thoughtful planning, analysis and strategy.

#### **d. Accountability**

The State Auditor fundamentally is accountable to the citizens who hire him every four years. The Auditor works for and reports directly to the people. The Governor or Legislature have no oversight of the audits, except that their budget appropriations and enactment of laws affect our operations. Citizens expect, demand and deserve a government that is accountable to them. They look to the State Auditor to be that window into government so they can assess government performance. The State Auditor's own performance is based on how effectively he evaluates accountability and can provide that information to citizens.

Work of the office must withstand the rigors of peer reviews from National State Auditors Association, independent biennial audits the governor is require to contracts for, and our own annual internal audits and quality assurance reviews.

#### **e. Planning**

As mentioned earlier, the position of State Auditor serves an independent check and balance on government operations to make sure that the state acting legally, effectively and as economically as possible in carrying out its mission.

### **6. Recent Changes**

Since the Salary Commission's last review, our office has received a large-scale expansion of authority and responsibility. Initiative 900, approved

overwhelmingly by citizens, gave us authority to conduct performance audits in addition to the financial and legal compliance work we have traditionally done. Those audits will be directed at all local government entities as well as all state agencies, colleges and universities. Beyond looking at checking books and accounts, we will now look at every aspect of government operations to determine whether programs and services are effectively achieving intended results and operating as efficiently and economically as possible. Overall, the scope of these operational evaluations is immense.

Financially speaking, this new responsibility enlarges our operation by more than one-third (35 percent). And according to the National Association of Government Accountants, no other state has the extensive authority we now have. Office staffing will increase considerably. However, we do not want to create another government bureaucracy. We are carefully evaluating staff levels and expect to add 35 performance auditors this year. Ultimately, we expected to blend our own staff of auditors with private contractors, whose work we will closely oversee.

We have have long advocated for performance audit authority to provide significant added measure of government accountability. We are excited about this opportunity to save money, streamline operations and provide better service to citizens. To a large degree, performance audits will redefine a large part of our roles and responsibilities.

## **7. General Comments**

What a privilege and an awesome responsibility to serve as the public's auditor these past nearly 13 ½ years. This position has given me a great opportunity to truly make a difference and have such a positive effect on government operations. With that opportunity comes a responsibility to achieve results and makes government work better for all of us. We remain committed to working for a government that is accountable, open, accessible and responsive to citizens.